IN THE UNITED STATES DISTRICT COURT EASTERN DISTRICT OF TEXAS **TYLER DIVISION**

VERSATA DEVELOPMENT GROUP, INC., AND VERSATA SOFTWARE, INC.,

Plaintiffs,

v.

Civil Action No. 6:06-cv-325 (LED)

SEARS, ROEBUCK AND CO., LANDS' END, INC., KMART HOLDING CORPORATION, AND KMART.COM, LLC.,

Defendants.

JURY DEMANDED

STIPULATION AND ORDER OF DISMISSAL

Defendants, Sears, Roebuck And Co., Lands' End, Inc., Kmart Holding Corporation, and Kmart.Com, LLC. and Plaintiffs Versata Development Group, Inc. and Versata Software, Inc., hereby stipulate by and between the parties, by their undersigned attorneys, that this action may be dismissed with prejudice and without costs.

Dated: July 17, 2007

Respectfully Submitted,

By:_/s/ John C. Hardy, with permission

By Michael E. Jones

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CERTIFICATE OF SERVICE

I hereby certify that the following counsel of record who are deemed to have consented to electronic service are being served this 17th day of July 2007, with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3). Any other counsel of record will be served by first class mail on this same date.

_/s/ Michael E. Jones_____